

# DENSO CORPORATION and Consolidated Subsidiaries

## Consolidated Financial Results for the Second Quarter Ended September 30, 2011

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 DENSO CORPORATION  
 CODE: 6902  
 Listed on the Tokyo and  
 Nagoya stock exchanges

Results for the second quarter ended September 30, 2011 (From April 1, 2011 to September 30, 2011)

### (1) Operating Results

(Millions of yen, except per share figures)

	6 months ended Sep. 30, 2011	6 months ended Sep. 30, 2010	Year ended Mar. 31, 2011
Net sales.....	1,409,146	1,589,573	3,131,460
% change from the previous corresponding period.....	( 11.4%)	22.1%	5.2%
Operating income.....	31,859	124,271	188,331
% change from the previous corresponding period.....	( 74.4%)	-	37.8%
Income before income taxes and minority interests.....	39,318	138,042	211,667
% change from the previous corresponding period.....	( 71.5%)	866.5%	44.1%
Net Income.....	23,283	93,696	143,033
% change from the previous corresponding period.....	( 75.2%)	-	94.8%
Basic net income per share.....	28.89 yen	116.26 yen	177.49 yen
Diluted net income per share .....	- yen	- yen	- yen

Note: Basic net income per share is based upon the average number of shares outstanding.

### (2) Financial Position

(Millions of yen, except per share figures)

	As of Sep. 30, 2011	As of Mar. 31, 2011	As of Sep. 30, 2010
Total assets.....	3,426,601	3,380,433	3,298,334
Total equity.....	1,970,845	2,072,443	2,010,233
Equity ratio.....	54.7 %	58.1 %	57.8 %
Equity per share.....	2,326.30 yen	2,435.14 yen	2,366.18 yen

Note: "Equity per share" is based upon the number of shares outstanding as of the respective balance sheet dates.

### (3) Consolidation Scope

Number of consolidated subsidiaries : 188  
 Number of affiliates : 31 ( Affiliates accounted for by the equity method : 31 )

### (4) Changes in Consolidation Scope and Application of the Equity Method

Consolidated subsidiaries  
 Added : 1  
 Excluded : 0  
 Companies accounted for by the equity method  
 Added : 0  
 Excluded : 0

## Consolidated Balance Sheets

	Millions of yen		
Assets	As of Sep. 30, 2011	As of Mar. 31, 2011	Increase (Decrease)
<b>Current Assets:</b>			
Cash and cash equivalents	755,556	688,626	
Short-term investments	249,531	245,001	
Notes and accounts receivable, less allowance for doubtful accounts	510,935	485,108	
Inventories	308,302	288,736	
Deferred tax assets	66,274	64,298	
Other current assets	96,282	92,742	
<b>Total current assets</b>	<b>1,986,880</b>	<b>1,864,511</b>	<b>122,369</b>
<b>Property, Plant and Equipment:</b>			
Land	154,543	156,477	
Buildings and structures	700,400	709,842	
Machinery and equipment	2,523,415	2,558,251	
Construction in progress	64,876	55,819	
	<b>3,443,234</b>	<b>3,480,389</b>	
Less: Accumulated depreciation	(2,653,149)	(2,657,161)	
<b>Net property, plant and equipment</b>	<b>790,085</b>	<b>823,228</b>	<b>(33,143)</b>
<b>Investments and Other Assets</b>	<b>649,636</b>	<b>692,694</b>	<b>(43,058)</b>
<b>Total</b>	<b>3,426,601</b>	<b>3,380,433</b>	<b>46,168</b>
Liabilities and Equity	As of Sep. 30, 2011	As of Mar. 31, 2011	Increase (Decrease)
<b>Current Liabilities:</b>			
Short-term borrowings	25,932	51,590	
Current portion of long-term debt	92,707	42,388	
Notes and accounts payable	397,476	394,801	
Income taxes payable	9,557	24,941	
Accrued expenses	195,308	207,962	
Other current liabilities	65,669	70,789	
<b>Total current liabilities</b>	<b>786,649</b>	<b>792,471</b>	<b>(5,822)</b>
<b>Long-term Liabilities:</b>			
Long-term debt	460,108	305,622	
Liabilities for retirement benefits to employees, directors, corporate auditors and managing officers	187,143	186,026	
Deferred tax liabilities	8,687	9,019	
Other long-term liabilities	13,169	14,852	
<b>Total long-term liabilities</b>	<b>669,107</b>	<b>515,519</b>	<b>153,588</b>
<b>Shareholders' Equity:</b>			
Common stock	187,457	187,457	
Capital surplus	266,625	266,616	
Retained earnings	1,744,950	1,741,008	
Treasury stock - at cost	(198,494)	(198,584)	
<b>Total shareholders' equity</b>	<b>2,000,538</b>	<b>1,996,497</b>	<b>4,041</b>
<b>Variance of the Estimate/Conversion:</b>			
Unrealized gain on available-for-sale securities	93,776	129,215	
Deferred gain on derivatives under hedge accounting	382	59	
Foreign currency translation adjustments	(219,924)	(163,372)	
<b>Total variance of the estimate/conversion</b>	<b>(125,766)</b>	<b>(34,098)</b>	<b>(91,668)</b>
<b>Stock Acquisition Rights</b>	<b>3,612</b>	<b>3,462</b>	<b>150</b>
<b>Minority Interests</b>	<b>92,461</b>	<b>106,582</b>	<b>(14,121)</b>
<b>Total equity</b>	<b>1,970,845</b>	<b>2,072,443</b>	<b>(101,598)</b>
<b>Total</b>	<b>3,426,601</b>	<b>3,380,433</b>	<b>46,168</b>

## Consolidated Statements of Income

	6 months ended Sep. 30, 2011	6 months ended Sep. 30, 2010	Millions of yen Increase (Decrease)
<b>Net Sales</b>	<b>1,409,146</b>	1,589,573	(180,427)
Cost of Sales	1,247,565	1,327,788	(80,223)
<b>Gross Profit</b>	<b>161,581</b>	261,785	(100,204)
Selling, General and Administrative Expenses	129,722	137,514	
<b>Operating Income</b>	<b>31,859</b>	124,271	(92,412)
Other Income (Expenses):			
Interest and dividend income	8,815	7,299	
Interest expense	(3,052)	(2,746)	
Equity in earnings of affiliates	1,786	2,704	
Reversal of allowance-doubtful accounts	-	409	
Gain on sales of property, plant and equipment	562	649	
Gain on negative goodwill	-	4,048	
Loss on sales or disposal of property, plant and equipment	(1,548)	(2,132)	
Impairment loss on investment securities	(30)	(1)	
Loss on sales of investment securities	(22)	-	
Foreign exchange (loss) gain	(1,049)	626	
Other, net	1,997	2,915	
<b>Income before income taxes and minority interests</b>	<b>39,318</b>	138,042	(98,724)
Income Taxes:			
Current	15,280	32,862	
Deferred	(3,150)	2,875	
Minority Interests in Net Income	3,905	8,609	
<b>Net Income</b>	<b>23,283</b>	93,696	(70,413)

## Segment Information

<b>Geographical Segments (by company location)</b>		Millions of yen		
		6 months ended Sep. 30, 2011	6 months ended Sep. 30, 2010	Increase (Decrease)
Sales	Japan	963,499	1,080,716	(117,217)
	North America	217,511	274,441	(56,930)
	Europe	198,703	193,684	5,019
	Asia & Oceania	299,682	320,921	(21,239)
	Total	1,679,395	1,869,762	(190,367)
	Others	30,437	31,038	(601)
	Grand Total	1,709,832	1,900,800	(190,968)
Operating (loss) Income	Japan	1,704	57,820	(56,116)
	North America	(3,034)	14,115	(17,149)
	Europe	3,302	5,384	(2,082)
	Asia & Oceania	26,282	44,606	(18,324)
	Total	28,254	121,925	(93,671)
	Others	1,993	4,009	(2,016)
	Grand Total	30,247	125,934	(95,687)